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NEWS CLIPPINGS –08-10-2018

Smriti Irani offers to revive textile mill in Odisha	Telegraphi India https://www.telegraphindia.com/states/odisha/smriti-offers-to-revive-textile-mill-in-odisha/cid/1671240

Union textile minister Smriti Irani on Sunday said that the Centre would support Odisha if the latter took the initiative to reopen the iconic Odisha Textile Mills (OTM) at Choudwar. The mill, set up in 1950 by Biju Patnaik, has been lying closed since 2001.

Irani, who was in Bhubaneswar to take part in the BJP's state executive meeting, criticised chief minister Naveen Patnaik for "not doing enough to revive the unit". She said the Centre would extend a helping hand if the Odisha government did its bit to put the mill back on track.

Responding to Irani's offer, Odisha industries minister Ananta Das said the state government would definitely make an effort to revive OTM. "There should be a discussion between the Centre and the state about what needs to be done in this regard," he added.

At one stage the state government had even proposed to set up an integrated park and textile and apparel industry in the OTM complex spread over 522 acres. But there has been no concrete development on this front so far.

Irani also attacked Naveen for "failing to protect the dignity of women and not providing them with adequate nutrition". She said the Naveen Patnaik government had itself admitted in the Assembly that 60 per cent women were victims of anaemia. She accused Naveen of not joining the Centre's Ayushman Bharat scheme for political reasons and alleged that the Odisha government had also not done its bit to reduce the price of petrol and diesel in the state.

However, BJD spokesperson Sasmit Patra hit back saying that instead of pointing fingers at the Odisha chief minister, Irani should talk about how BJP leaders were being arrested for misbehaving with women in Rajasthan, Uttar Pradesh and Haryana.

Odisha Congress president Niranjan Patnaik echoed Patra. "How can they talk about Odisha when they have failed to protect women in the states ruled by the BJP," he said.

In another development, the BJP has decided to build up state-wide movements on corruption in various sectors in the state. The party plans to take up issues — such as the chit fund scam, mining scam, Omfed scam and cooperative and sapling scams — besides sensitising people on controversies related to the state's Ama Gaon, Ama Vikash and

Biju Yuva Vahini schemes. It will also generate public awareness on Naveen's alleged refusal to cooperate with the Centre on the Ayushman Bharat scheme.

"Naveen is neck deep in corruption. We will expose this government," said state BJP vice-president Pratap Sarangi.

BJD spokesperson, Amar Satpathy, however, dismissed BJP's charges as politically motivated and said that the BJP leaders won't cut ice with the voters.

Cotton and Currency Markets	**Kotak Commodities Research Desk** **For more details contact :** Research@kotakcommodities.com **&** aurobinda.gayan@kotakcommodities.com

A. Cotton		
Spot price (Ex-Gin) 28.5 to29 mm		
Rs/Bale	Rs/Candy	USD Cent/lb
21943	45900	79.28
Domestic Futures (Ex-Gin) July		
Rs/Bale	Rs/Candy	USD Cent/lb
22180	46395	80.13
International Futures		
NY ICE USD Cents/lb. (Dec 2018)		76.10
ZCE Cotton: Yuan/MT (Jan 2019)		15595
ZCE Cotton: USD Cents/lb.		87.16
Cotlook A Index - Physical		0.00
B. Currency		
USD/INR	Close	Previous Close
Spot	73.849	73.765

Cotton Guide:

Weekly closes were generally lower and most months have settled lower for 5 consecutive weeks. December settled at 7610, down 27 points for the week. Dec has a 5-week cumulative loss of 612 points. The other months settled from 3 to 32 points higher, except the most distant 4 months settled unchanged. Weekly losses range from 2 to 40 points. Net losses over the last 5 weeks (since August 31st) range from 85 to 582 points.

Trading volume was 21,787 contracts. Cleared previous day were 16,473 contracts. Total open interests were at 251,805 contracts. Open interest has added 4,579 contracts since it hit its 2018 low on September 27th at 247,226 contracts.

Grains had a good week, but US equities not so much. Neither group of markets, though, has had much influence on cotton lately. Cotton's biggest issue has been stagnant cash business for US cotton. Since sales on the books have been so far advanced this year, the eagerness to sell hasn't motivated sellers to match buyers' ideas. Plus, the heightened uncertainty over qualities has discouraged additional sales.

China has been on holiday all week and that's removed a big level of activity, at least potentially so. Thursday's upcoming USDA Supply-Demand Report has also sidelined traders.

Technically, it was the fifth consecutive down week, but only by 27 points. Downside momentum has clearly waned and Monday's eight-month low of 7537 stands as the line that Taurus needs to defend. Dec has cascaded from the August 1st high of 8998 to the October 1st low of 7537 without a real correction. The Fibonacci correction levels of that move are 8095 (38.2%), 8268 (50%) and 8440 (61.8%). For now, though, the work is still broadly negative. An extended period of base-building is the best prescription if you want it bullish longer term. Support is roughly 7550+ and 7400. Resistance is roughly 7800, 7900+ and 8000+. Daily momentum is back near neutral, but weekly momentum is good and oversold.

On the domestic front Indian cotton price continued to trade steady near Rs. 45800-46000 per candy ex-gin and the arrivals are increasing gradually around 40 to 50K bales a day. The market is quiet and the futures have been moderately volatile. The active October future ended the week at Rs. 22180 up by Rs. 340 per bale from the previous week's close. Market has rebounded in the last week as part of short covering. The other months have also moved in the similar lines. We think lower level buying and general tightness in the stocks and slow arrivals may have supported buying on lower level. Also the spot price isn't falling much below Rs. 45800 for the past two weeks amid ICE cotton holding strong near 75.50-76 cents.

This morning ICE Cotton is seen trading strong at 76.39, Indian rupee is weak against the USD and ZCE cotton has opened today with marginal gains. The trading range for October contract would be Rs. 22060 to Rs. 22400 per bale.

Currency Guide:

Indian rupee opened weaker by 0.15% to trade near 73.87 levels against the US dollar. Weighing on rupee is general selling pressure in equity market amid concerns about Chinese economy, trade worries, Brexit issues and Italy budget crisis. Domestic equity markets remain mired by concerns about trade and budget deficit, inflation, investor outflows, crisis in IL&FS and uncertainty relating to upcoming elections. Rupee is choppy also as market players assess RBI decision. RBI kept interest rate unchanged at 6.5% last week while Bloomberg survey indicated a 0.25% hike. RBI however changed its stance from neutral to "calibrated tightening" indicating possibility of future hikes. Rupee has however benefitted from some correction in crude oil price. Brent crude has corrected from recent 4-year high to trade near $83 per barrel. Crude slipped on hopes that US may give some exemption from Iran sanction and as Saudi Arabia has shown willingness to raise output. The US dollar is also supported by higher bond yields as 10-year yield hit the highest level since 2011. Rupee may witness choppy trade but general bias is weak given weakness in equity market and weaker risk sentiment. USDINR may trade in a range of 73.6-74.2 and bias may be on the upside.

Reliance hikes petrochemical prices to offset rising oil	Live Mint https://www.livemint.com/Companies/ILOWDxbel3o8yb3heKIBzI/Reliance-hikes-petrochemical-prices-to-offset-rising-oil.html

Reliance Industries Ltd (RIL) increased prices of seven key petrochemicals by 10-21% in the second quarter of this fiscal year while the year-on-year increase is 17-61%

eliance Industries Ltd (RIL) raised prices of at least seven key petrochemicals in the last quarter to offset higher crude oil prices and counter the effect of a weakening rupee. Bulk chemicals traders, suppliers for RIL's petrochemical products and analysts tracking the company said it raised prices by 10-21% in the second quarter of this fiscal while year-on-year increase is 17-61%.

These products include purified terephthalic acid (PTA), monoethylene glycol (MEG), polyester staple fibre (PSF), partially oriented yarn (POY), polypropylene or high density polyethylene (HDPE) and linear alkyl benzene (LAB).

"Its more about the rupee decline and crude price which have increased petrochemicals prices in Asia. There is not much change in terms of demand-supply. Besides, RIL commands the highest premium in the Indian petrochemicals market. If you see pricing for RIL's key products, it has been consistently going up in past three months," an analyst tracking RIL said on condition of anonymity.

Crude prices, which have been on the rise, are expected to touch $100 per barrel in a few months. The rupee, on the other hand, weakened further and settled at 73.76 against the dollar on Friday.

"Sustained, substantial increase in crude oil prices has pushed up petrochemical feedstock prices over the past few months. Geopolitical situation and expectation of a tighter oil market has further impacted the raw material cost. Globally, petrochemical producers have absorbed a part of the higher feedstock costs while pricing products," said RIL in an emailed reply.

Analysts tracking RIL said the firm raised PTA prices to ₹ 81,600 a tonne till September against ₹ 50,750 a tonne last September. This August, PTA prices were at ₹ 69,000 a tonne. Prices for HDPE has gone up 24% to ₹ 104,720 a tonne against September 2017.

PTA is a raw material used in making multi-purpose plastics. HDPE is used for packaging household and industrial chemicals such as detergents.

"RIL has been revising prices upwards for its products. And given RIL enjoys a monopolistic situation in petrochemicals manufacturing, we don't have an option but to buy from RIL. There is no corresponding increase in demand but RIL has been raising prices," said a PTA trader operating out of Mumbai's Crawford Market, adding he has been a PTA trader with RIL for nearly two decades.

RIL is among the top 10 producers for key petrochemicals. Last fiscal, the company saw revenue from the petrochemicals segment increase sharply by 35.5% ₹ 125,299 crore. Operating profit in the segment was up by 63%

to its highest ever level of ₹ 21,179 crore.

Prices for PVC, or polyvinyl chloride, however, were cut last week. “RIL had been increasing PVC prices for the last six months despite a low demand. Last week, however, the company dropped the prices to ₹ 78 a kilo against ₹ 81-82 a kilo earlier. Despite the price reduction, demand has not picked up,” said another chemical stockist who operates out of Masjid Bunder in South Mumbai.

PVC is one of the most widely used polymers in the world extensively used in industries, building, transport, packaging, electronics and healthcare applications.

“In India, despite depreciating rupee and increased crude prices, Reliance has actually reduced finished prices for all its products, net of raw material price increases, to safeguard its customers and maintain the consumer sentiments,” the company added in the emailed response.

Still, the July-September quarter earnings from petrochemicals for RIL look robust. “Earnings momentum is likely to remain strong, in our view. After 19-21% earnings per share growth over FY17-18, we expect stronger 33% growth in FY19F, driven by petchem,” said Nomura Research in a 27 September report.

In January, RIL commissioned its refinery off-gas cracker (ROGC) complex of 1.5 million tonnes per annum (mtpa) capacity along with downstream plants and utilities, culminating its $16 billion refining and petrochemicals expansion plan that it embarked on in 2014.

Commissioning of the plant will help the refiner double ethylene capacity and enter the league of top five petrochemical producers globally, in addition to lowering its fuel cost and boosting profits. There are nearly 270 ethylene plants globally with a combined capacity of over 170mtpa. RIL’s combined ethylene capacity is now close to 4 mtpa at five of its manufacturing sites.

Industrialists demand cut in duty on fuel	**Tribune India** https://www.tribuneindia.com/news/amritsar/industrialists-demand-cut-in-duty-on-fuel/664844.html

Industrialists from the border districts have requested the government to lower the rates of petroleum products in the state as they fear this will increase the cost of products eventually. Punjab Pradesh Beopar Mandal member PL Seth said, majority of the raw material in this part of the country come from outside. “Any rise in rates of fossil fuel is bound to impact the input cost.”

Like suiting, shirting, shawls, tweeds and blazers, pharmaceuticals, screws, nuts and bolts, chess boards and pieces, besides a number of other varieties. Industrialist Raman Gupta said, “Constant rise in diesel rates will certainly jack up the production cost. However, there is no increase in the finished products rates due to cut throat competition. He apprehended that this imbalance would adversely impact industrial units in the long run.”

CAI trims cotton crop estimate for 2018-19 at 348 lakh bales	Business Line https://www.thehindubusinessline.com/economy/agri-business/cai-trims-cotton-crop-estimate-for-2018-19-at-348-lakh-bales/article25144579.ece

Deficient rains in Gujarat, Maharashtra likely to hamper yield prospects

In its first cotton crop estimate, Cotton Association of India (CAI) has reduced the cotton crop size for 2018-19 at 348 lakh bales (each of 170kg) from 365 lakh bales in 2017-18. The reduction in crop estimate is mainly attributed to adverse impact of drought-like situation in key growing regions of Gujarat, Maharashtra and Karnataka.

At the end of Cotton India 2018 meet in Aurangabad on Saturday, the apex cotton trade body trimmed the crop size at 348 lakh bales for 2018-19, amid fears of an impact of yield.

As per the CAI estimates cotton crop in the largest grower - Gujarat is set to decline by about 15 lakh bales from 105 lakh bales last year to about 90 lakh bales projected for 2018-19. The State faces overall rainfall deficit of about 23 per cent till October 5. Also, Maharashtra, Andhra Pradesh and Karnataka are projected to have lower crop too.

Atul Ganatra, President, CAI noted that despite almost similar cotton sowing as that of last year, cotton crop this year may be lower due to deficient rains in cotton growing States. As per the Central government data, Cotton sowing was reported at 120-64 lakh hectares for 2018-19 as against 121.72 lakh hectares in 2017-18.

Scanty rains affects yield

"It is feared that yields will get hampered due to scanty rains. This is a first crop estimate for the year and we will come out with updated estimate with cotton balance-sheet in the first week of November. We are still hoping for some rains in Gujarat and Maharashtra, which has a bearing on the cotton crop," said Ganatra. However in absence of water the crop condition may deteriorate further and the output may get affected.

However, the crop in North Zone is estimated to increase from 56 lakh bales to 58 lakh bales with Punjab (10 lakh bales), Haryana (24 lakh bales) and Rajasthan (24 lakh bales) showing signs of better crop conditions.

Meanwhile, in the South Zone, Telangana estimated to have cotton crop of 51 lakh bales almost at last year's level, while Andhra Pradesh and Karnataka to have lower crop this year at 16 lakh bales and 18 lakh bales respectively. The current crop estimate is likely to have 2-5 per cent variation due to rain possibilities during October-November.

Pest menace

In his address, Bhupendrasingh Rajpal, vice president of CAI and President of Maharashtra Cotton Association noted that pink-bollworm menace is not likely to cause major damage to the crop this year. "This is for the first time, a Cotton meet is taking place in the cotton heartland of Marathwada with such huge participation. This year, the pink bollworm infestations is much less as compared to last year. This will help the crop with better quality. The awareness campaigns by Association, government and research scientists have been successful to contain the pest menace," he said.

Cott-ally mobile app

During the event, P Alli Rani, chairman and MD, Cotton Corporation of India (CCI) introduced the 'Cott-ally' mobile app for cotton stakeholders and farmers. Farmers and traders can make representations, provide feedback and take CCI guidance about the cotton crop through the help of this mobile App.

Noted farmer leader and chairman of Maharashtra State Agriculture Price Commission, Pasha Patel appealed to the cotton buyers to support farmers in their effort to innovate in farming practices. A group of farmers from Maharashtra have experimented one-quality one-cotton crop on 300 hectares of land.

Panel suggests delinking special economic zones from exports	**Economic Times** https://economictimes.indiatimes.com/news/economy/foreign-trade/panel-suggests-delinking-special-economic-zones-from-exports/articleshow/66111745.cms

A committee on special economic zones (SEZs) led by Bharat ForgeNSE -1.46 % chairman Baba Kalyani has suggested delinking the enclaves from exports and allowing payments to be made in rupee when they deal with areas outside the zone.

In its draft recommendations submitted to the commerce department on Friday, the committee said the SEZ Act of 2005 focused on promoting trade competitiveness but it needs to be shifted to “manufacturing competitiveness” in the current environment.

The panel wants SEZs to be converted into employment and economic enclaves (3Es) with efficient transport infrastructure, uninterrupted water and power supply.

The committee, set up in June, has talked of enablers for the SEZs based on job creation, investment committed, inclusivity, value addition and technology differentiation, which are delinked from export performance. It has suggested that states and the Centre together work on an incentive package for such enablers. “These are only draft suggestions and the government has sought some more details,” said an official in the know.

The draft comes in the wake of India’s export-linked incentive schemes including SEZs being disputed by the US in the World Trade Organization (WTO).

Exports from SEZs grew 15% to Rs 5.52 lakh crore in 2017-18. Rs 3Es will move away from incentive linkages from exports and hence the condition of net foreign exchange (NFE) will not be required,” it said for manufacturing SEZs. For service SEZs, it has proposed allowing supplies to domestic market in rupees. The government has recently amended SEZ rules to exclude income from supplies made to area outside the zone called domestic tariff area from NFE.

Linking SEZs with foreign exchange was not needed in the first place because even though banks get business by trading in foreign currency, the units incur a cost and the existing forex stays inside the country," said Ajay Sahai, director general, Federation of Indian Export Organisations.

The committee has advocated simpler entry and exit processes using time-bound online approval and dispute resolution through robust arbitration and commercial courts. It has sought infrastructure status to 3E projects to make cheaper finance available to them. In line with WTO norms and goods and services tax, the group has suggested the government to prepare a sunrise list for "focused diversification" such as engineering and design, biotech and healthcare services. "Align the policy framework to avoid competition among similar schemes of industrial parks, export oriented units, SEZ, national investment and manufacturing zones and sectoral parks and provide ease of doing business to developers and tenants," it said .

Opinion | India's worth as an investment destination	**Live Mint** https://www.livemint.com/Opinion/mUNzd3aaJzUAePws5h1QnL/Opinion--Indias-worth-as-an-investment-destination.html

The N-SIPI index provides a useful ground-level view of the business environment in various states

The efforts towards improving the business climate started some years ago and deepened when the government's flagship initiatives, Make in India and Start-Up India, took centre stage. The department of industrial promotion and policy (DIPP) had rolled out the Business Reform Action Plan in 2015. India subsequently leapfrogged a commendable 30 places to get placed amongst the top 100 countries, according to the World Bank's Doing Business2018 report. But have we arrived where we should?

The National Council of Applied Economic Research designed an index in 2016 using six metrics—land, labour, infrastructure, economic climate, political stability and governance. This was intended to give a granular picture of the investment climate. This state investment potential index (N-SIPI) incorporated the perceptions of entrepreneurs, based on survey of industrial units. In the third edition, N-SIPI 2018, feedback on the goods and services tax (GST)—the most important initiative on unifying India into a massive common market—was added. The survey covered 1,049 units in 20 states and Delhi, ranking them on their investment potential based on the six major metrics. Interestingly, the rankings are broadly consistent with another study on the performance of states in terms of their service delivery performance . Such comparisons suggest that the N-SIPI rankings based on perceptions and secondary data are reasonably robust.

There is also merit in recognising the strength of the states on individual metrics. For example, land by itself is a critical issue and is perceived to be complex because of the maze of regulations. However, strikingly, most states found no difficulty in acquiring land for industrial use except five: Bihar, Jharkhand, Karnataka, Maharashtra and Odisha. In these states, the percentage of respondents facing difficulties ranged from a little less than 30% to a little over 70%.

Unlike land, perception on labour constraints had wide differences across the states. States like Jharkhand, Karnataka, Himachal Pradesh and Assam were at one extreme, with more than 40% of the respondents expressing concern regarding the availability of skilled labour. Meanwhile, companies located in Gujarat, Haryana, Uttar Pradesh and West Bengal had more favourable views. Respondents have also shown major variation in perception of labour quality. Haryana and Gujarat continue to be viewed as the best states in this regard.

In another surprise, labour relations are not seen to be a problem for nearly 66% of the respondents across the states. Very diverse states such as Haryana, West Bengal and Gujarat were the best performers here, while Karnataka, Telangana and Andhra Pradesh have noted moderate to severe constraints. Labour laws have been a constraining factor in Maharashtra, Karnataka, Madhya Pradesh and Chhattisgarh. And while Gujarat reported no problems, Chhattisgarh reported severe problema.

Power is a critical component of infrastructure that supports industrial advancement. The survey found that power availability was relatively good, with no significant difficulty faced by 78% of respondents on an average. States such as Chhattisgarh, Haryana, Punjab and Karnataka reported an excellent supply of power, while states that lagged behind included Uttarakhand, Jharkhand and West Bengal. With respect to water availability, the situation looked best in the case of Himachal Pradesh, Karnataka and Haryana. Surprisingly, despite being a coastal state, nearly one-fifth of the severely constrained firms belonged to Maharashtra, while Uttarakhand emerged as the most severely water-constrained state. The performance of states concerning road and rail connectivity was not an issue with over two-thirds of the surveyed firms while a little over one-fifth shared a moderate concern on the issue. Yet again, Haryana, Himachal Pradesh, Karnataka, Kerala and Rajasthan did very well, while a developed state like Telangana was ranked lowest in the perception of good road and rail connectivity in the state.

The perception on industrial policy is critically important to promote efficiency and productivity. A well-designed industrial policy percolates through different levers, such as special support to a select group of industries, establishment of special economic zones to attract foreign participation or investment, privatization of public sector units, and promoting public-private ventures. Here, a high proportion of positive responses came from Uttarakhand, Haryana, Gujarat and West Bengal. On the other hand, Karnataka, Chhattisgarh and Maharashtra appeared to be the poorest players in this regard.

GST was introduced in July 2017, and N-SIPI 2018 found that more than 40% of firms faced moderate to severe difficulty and 43% did not perceive any impact of the GST policy at all. This negatively impacted business operations severely, according to 17% of the firms. Unexpectedly, Bihar emerged as the most GST-friendly state followed by Gujarat, while firms from Madhya Pradesh, Kerala, Himachal Pradesh, Andhra Pradesh, Telangana, Uttarakhand and Tamil Nadu faced significantly negative impact. Of these, the worst hit was Andhra Pradesh, with 58% of respondents crying foul. On the related aspect of e-way bills, the majority of the respondents reported the impact being positive. The impact is remarkably good for Jharkhand (77%), followed by West Bengal and Bihar, while there is no perceived impact in Telangana, Maharashtra and Gujarat. The findings demonstrate that states have to work hard to even remain where they are as the rankings are relative, competitive and in flux. They also show that learning lessons from other states is a good way forward.

Govt set to dump direct port delivery scheme	Business Line https://www.thehindubusinessline.com/economy/logistics/govt-set-to-dump-direct-port-delivery-scheme/article25143505.ece

Freight stations to get a fresh lease of life

The direct port delivery (DPD) scheme that was introduced as a panacea to cut cargo dwell time and costs is set to be dumped, with the government working on a plan to restore the role of container freight stations (CFS) in the evacuation system, a top ministry official said on Friday.

DPD scheme, which was implemented by the government last year with great vigour to promote the ease of doing business and improve India's ranking in the logistics performance index of the World Bank, had started to hurt the business of CFSs servicing Jawaharlal Nehru Port Trust.

Some of the CFSs, including listed entities, have started shedding staff to deal with the decline in business with one of them even shutting shop last week following an attack on buses carrying employees by a group that were retrenched.

DPD essentially means import containers are delivered directly to pre-approved clients at the port itself instead of waiting in a CFS located outside for clearance, which reduces the cargo dwell time and cost for shippers.

"We are now trying to re-model our cargo evacuation system placing the CFS as the fulcrum of the entire planning," Shipping Secretary Gopal Krishna said at the annual day of the Container Freight Stations Association of India. "We are going back to the thinking that was prevalent in the late 1980s when this concept started that CFSs should take the burden of being the first recipient of the boxes and thereafter cargo will move," he stated.

"The plan now is that within 24 hours, a container should move out of the port to a CFS, and as much less regulatory processes should be done in the port as possible. Regulatory and all other processes such as bundling, unbundling and re-positioning of cargo should happen where it was originally meant to be done, that is the CFSs. We had initial discussions with the all the stakeholders in the last ten days, including the shipping lines, shipping agents, forwarders and terminals. There is largely a unanimity that this seems to be the best possible way forward if we have to control the dwell time for exports and imports but largely for imports," he said.

The challenge, though, is to address the issue of congestion and this can only be done by limiting the number of truck trailers that enter and exit the port.

"Here, there is a possibility of utilising technology by creating a truck trailer market place. Currently, trailers coming from factories carrying export containers to the port goes back empty. So, the idea is that when it comes in, that should be the trailer which should carry back a box to the CFS so that unnecessary movement of trucks doesn't take place in the port area. That should be the key if large number of containers have to be handled at the port. That will improve the capacity utilisation of the terminals - if the cargo gets moved out of the port limits within 24 hours, the terminals will be able to bring in more ships, they will be able to unload more cargo and load more cargo. Across the stake holder community, everyone feels that there is some bit of benefit for them from this plan," he said.

The only issue that the government is grappling with, according to Gopal Krishna, is about the liability. "Because, we have trucks coming from far off places carrying export boxes and if we ask the same transporter to carry an import box to the nearest CFS or identified CFS, the issue of liability comes in. So, that's the single point of challenge that we are now starting to address and I'm sure we'll be able to address that in the next week or so," he said.

"If this plan meets the regulatory requirements of the system, then I think we would have probably reached an ideal situation in which cargo gets evacuated from the ports within a very short time," he noted.

"There was a time when there was a bit of uncertainty in the minds of the CFSs, whether to change the business model (due to DPD) and what will happen to employment. I think, that should get sorted out by what we are now trying to attempt. So, I want to re-assure the CFSs operators that we will try to see that their utility in the system does not diminish, their utility in the system increases, their business grows and they become a very integral part of the system and remain so," he said.

The rationale behind the introduction of DPD was to hasten the evacuation of cargo from the port, directly to the factories.

"While that seems to be very much a goal that we should aspire for and we also set targets and raised the target for DPD from 40 per cent to 80 per cent, we found after a few months that it was stuck at 40 per cent. And then, when we were again trying to figure out and trying to dissect this number, we found that actually what gets transported directly to the end user is only about 10 per cent, the balance 30 per cent continue to be routed through CFSs," the secretary said.

The ever-increasing ship sizes was one of the "biggest disruptors" of the maritime sector. When the ship size keeps on increasing, the cargo volume will keep on increasing and the on-shore logistics sector will only be "reactive" to what the off-shore logistics sector will continue to do. This will increase challenges on evacuation of cargo from the on-shore side. "It was then we started re-assessing our thinking, that can we re-think the role and use of CFSs," Gopal Krishna said.

Initially, JNPT was also trying to take on the burden of transporting cargo containers out of the port; it had even finalised a transport solution which was touted as an innovative model that the port can adopt to quickly evacuate containers to the factories.

"But, that is not the core function of the port. The core function of the port is to quickly unload cargo from the ship and take it out of its precincts as early as possible. And there was a model where we had CFSs in 34 locations which were so easily reachable from where the cargo could be distributed. Thereafter, the ports role end and the regulatory processes of Customs clearance and other things will take over. We thought that this was the time to re-think and consider reverting to the old concept of evacuating containers through CFSs," he added.

Farmers say getting less than MSP for cotton, ask CCI to start procurement	**Daily Hunt** https://m.dailyhunt.in/news/india/english/nyoooz-epaper-nyoooz/farmers+say+getting+less+than+msp+for+cotton+ask+cci+to+start+procurement-newsid-98537838

BATHINDA: With the Cotton Corporation of India (CCI) yet to enter the market, farmers are complaining about getting price lower than the minimum support price (MSP) fixed for cotton. CCI is expected to start making purchases before October 10. We were expecting a bumper crop and a handsome price for cotton. We want CCI to enter the markets to end the exploitation of farmers," said farmer Gamdoor Singh from Sangat.Bisakha Singh of Bibiwala village in Bathinda said reluctance of CCI in starting procurement was proving dear to the farmers. We will make direct purchases from farmers without any middlemen through our own software and payments will be made to them within 5-7 days." .

How Visakhapatnam Port Trust plans to become the most preferred port in South Asia	**Financial Express** https://www.financialexpress.com/infrastructure/how-visakhapatnam-port-trust-plans-to-become-the-most-preferred-port-in-south-asia/1340710/

Visakhapatnam Port Trust has drawn up a vision to become the most-preferred port in south Asia.

As it turned 86 Sunday, the Visakhapatnam Port Trust (VPT), which is acclaimed as the Eastern Gateway of India has drawn up a vision to become the most-preferred port in south Asia offering services of global standards and world-class logistics solutions.

Massive capacity expansion and modernisation plans are being implemented in a mission-mode in line with Visakhapatnam Port's growing strategic importance to trade with China, Australia, Indonesia, Singapore, Malaysia, South Africa, Nigeria and countries in the Persian Gulf.

"Visakhapatnam Port, one of the 12 major ports of the country, has a strategic importance since it serves major economic sectors like steel, power, petroleum, mining and fertilisers.

We play a pivotal role in the economic development of the hinterland, catering to major industries.

We now aim to further this by becoming the most-preferred port in south Asia that offers world-class logistics solutions at minimal cost to stakeholders," VPT Chairman Movva Tirumala Krishna Babu said.

Talking to PTI on the Port's 85th anniversary, Babu said VPT transformed into a mega port, capable of handling all types of cargos, from raw materials to finished products, facilitating large-scale employment and higher standards of living.

"We now have the capacity to handle 120 million tonnes of cargo, which will be increased to 135 MT in the next one and a half years.

That will be the optimum capacity and accordingly we have taken up expansion, mechanisation and modernisation works," Krishna Babu said.

VPT achieved an operating profit of Rs 250 crore in the last fiscal handling 63.5 million tonnes of cargo while the target for the current year has been set at 68 million tonnes.

VPT is also ranked, by the Union Ministry of Commerce, as the number one port in the country in export of marine products.

While Rs 2,000 crore worth development works were under progress through public-private partnership and internal resource mobilisation, another Rs 3,000 crore worth projects were taken up under the Sagarmala.

"We had, in fact, taken up 15 capacity addition projects with a total investment of Rs 3,151 crore of which 11 were completed. The remaining four are in progress.

Mechanised coal handling facility with a capacity of 6.41 million tonnes per annum, construction of multi-cargo terminal with a capacity of 2.09 MTPA, upgradation of iron ore handling facility in the outer harbour are some of the major works that have been completed," the Chairman explained.

On the accolades won by the VPT, Babu said it has been ranked the second cleanest port in the country for the last two years in Swachh Bharat while the Andhra Pradesh government presented it the first Green Award in industries category this year.

"VPT is operating entirely on solar energy by commissioning a 10 MW utility-scale Solar Photovoltaic Power Plant at a cost of Rs 60 crore.

We were also awarded the Platinum Award in the ports sector for outstanding achievements in environment management, which is another milestone in our path towards becoming a Green Port," Krishna Babu added.

Finance minister assures exporters of competitive power tariff	**Tribune India** https://tribune.com.pk/story/1820045/2-finance-minister-assures-exporters-competitive-power-tariff/

Federal Minister for Finance Asad Umar has called exporters the future of the national economy and has assured them that the government is framing export-focused policies in an effort to give a big push to stagnant exports.

"The government has a strong belief that economic revolution can only be possible through trade promotion and all possible support is being extended to the export sector to achieve optimum growth," he remarked while speaking at a ceremony for the Export Excellence Awards organised by the Pakistan Textile Exporters Association (PTEA).

Umar pointed out that the government had revised gas prices and set the price at $6.5 per unit for the export-oriented sectors in Punjab to ensure that they gained a competitive edge in the international market. Electricity price would be fixed at 7.5 cents per kilowatt-hour for export industries in coming days, he said.

He underlined the need for devising an automated system for releasing tax refunds to exporters and assured them that the government would introduce systematic reforms in the refund system to save the exporters from liquidity crunch.

"The government is committed to providing all possible facilities for the textile sector as it is playing a major role in bringing economic stability and no country can achieve economic targets without due role of exporters," he said. Calling textile industry the backbone of economy, Umar revealed that remedial measures were being undertaken to overcome the challenges and help develop the sector.

"The future of Pakistan is very bright and all resources will be mobilised to transform it according to the premier's vision of an economically stable and strong country."

Speaking on the occasion, Minister of State for Revenue Hammad Azhar cautioned that Pakistan was passing through an economic crisis, but said the government had allowed Rs44 billion in gas subsidy for export-oriented textile units.

Apart from that, he said, FBR was working to reduce the regulatory duty on inputs in order to bring down the production cost of export goods.

He vowed that the interest of the textile industry would be shielded as Pakistan could not make sound progress without turning around its sagging economy.

Earlier, PTEA Chairman Khurram Mukhtar, while welcoming the reduction in gas price for the textile sector, underlined the industry's commitment to working for a prosperous Pakistan through a sizeable growth in exports.

He voiced hope that the government would adopt business-friendly policies and introduce economic reforms to boost the trade and industry.

Highlighting major impediments in the way of growth in textile exports, Mukhtar said a huge number of tax refund claims worth billions of rupees were stuck and their release would enhance confidence of the exporters.

He called for introducing structural reforms in the refund system to save the exporters from cash crunch. In order to promote exports, he stressed the need for Pakistan's image-building in the international arena.

Proper care of cotton crop stressed till Oct 15	Pak Observer https://pakobserver.net/proper-care-of-cotton-crop-stressed-till-oct-15/

Punjab Agriculture Department has issued a strategy to ensure proper care of cotton crop during the first 15 days of October.

A spokesman for the department said on Saturday that the crop was in its crucial stage and cotton bolls were developing.

He said farmers should ensure that the crop do not face any water shortage at this stage and irrigation must be carried out after water scouting.

The spokesman said that growers should give last water to the crop till October 15, keeping in view the weather conditions.

He advised farmers for carrying out pest scouting of the crop twice a week and in case of severe attack of insects, guidance from the agriculture department staff should be sought.

Poisons of same group should not be sprayed repeatedly, he added.

Oil drops as U.S. considers granting some waivers on Iran crude sanctions	Reuters.Com https://www.reuters.com/article/us-global-oil/oil-drops-1-percent-as-us-considers-granting-some-waivers-on-iran-crude-sanctions-idUSKCN1MI00W

Brent crude oil prices fell more than 1 percent on Monday after Washington said it may grant waivers to sanctions against Iran's oil exports next month, and as Saudi Arabia was said to be replacing any potential shortfall from Iran. International benchmark Brent crude oil futures LCOc1 were at $83.26 per barrel at 0352 GMT, down 90 cents, or 1.1 percent, from their last close.

U.S. West Texas Intermediate (WTI) crude futures CLc1 were down 54 cents, or 0.7 percent, at $73.80 a barrel.

U.S. sanctions will target Iran's crude oil exports from Nov. 4, and Washington has been putting pressure on governments and companies worldwide to cut their imports to zero. However, a U.S. government official said on Friday that the country could consider exemptions for nations that have already shown efforts to reduce their imports of Iranian oil. In a sign that Iran oil exports won't fall to nothing from November, India will buy 9 million barrels of Iranian crude next month, Reuters reported on Friday. Hedge funds cut their bullish wagers on U.S. crude in the latest week to the lowest level in nearly a year, data showed on Friday.

Traders said ongoing concerns that the U.S.-Chinese trade war could slow down economic growth also weighed on crude on Monday. China's stocks fell sharply on Monday despite an announcement from Beijing over the weekend that it would slash the level of cash that banks must hold as reserves, a sign of underlying investor anxiety over the heated Sino-U.S. trade war.

Further weighing on oil prices was "chatter that Saudi Arabia has replaced all of Iran's lost oil", said Stephen Innes, head of trading for Asia-Pacific at futures brokerage Oanda in Singapore.

But Innes warned that limited spare production to deal with further supply disruptions meant “the capacity is quickly declining due to Asia’s insatiable demand”. The U.S. oil drilling rig count fell for a third consecutive week, as rising costs and pipeline bottlenecks have hindered new drilling since June.

Drillers cut two oil rigs in the week to Oct. 5, bringing the total count down to 861, energy services firm Baker Hughes said in its weekly report on Friday. RIG-OL-USA-BHI That is the longest streak of weekly cuts since October last year. With Iran sanctions still on the table, potential spare capacity constraints and also a slowdown in U.S. drilling, U.S. bank J.P.Morgan said in its latest cross-asset outlook for clients that it recommended to “stay long Jan ‘19 WTI on supply risks to crude”.